Setting up of a Free Trade Zone at Visakhapatnam

826. PROF. C. LAKSHMANNA: Will the Minister of COMMERCE be pleased to state:

(a) what progress has so far been made with regard to the setting up of a Free Trade Zone at Visakhapatnam in Andhra Pradesh;

(b) what are the reasons for the delay in this regard; and

(c) what specific steps are being taken by Government to set up the Free Trade Zone at an early date?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) to (c) Government have agreed in principle to the location of a possible Export Processing Zone at Visakhapatnam. The modalities of implementing the possibility have to be worked out having regard to the relevant techno economic considerations. It is not possible to indicate a time limit in this regard at this stage.

Framing of Guidelines for import of capital goods

827. SHRI CHIMANBHAI MEHTA:
SHRI JITENDRABHAI LABHSHANKER BHATT:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to frame guidelines under the special facility provided in the 1988-91 Policy for manufacturer-exporters to import capital goods, notwithstanding their domestic availability; and

(b) if so, what are the details of the guidelines to be issued?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) detailed guidelines for grant of licences under special facilities for import of capital goods to exporting units have already been issued.

(b) These guidelines provide inter-alia, that:—

(1) The machinery proposed to be imported should be required for the production of the items exported by the unit. This should be clearly certified by the sponsoring authority.

(2) The eligibility for import will be on the basis of the export performance of the unit in the previous licensing year.

(3) While recommending the application, the sponsoring authority will clearly indicate the price difference between the imported and indigenous machinery and the delivery schedule quoted by the indigenous as well as the foreign supplier.

Capital raised by private and public enterprises through capital market

828. SHRI JITENDRABHAI LABHSHANKER BHATT: Will the MINISTER OF FINANCE be pleased to state:

(a) what amount of capital was actually raised by the private and public enterprises during 1985-86, 1986-87 and 1987-88 through capital market;

(b) whether Government have any proposal to exempt dividend income from individual income tax; exempt capital gains from sale of shares if reinvested in shares within six months or abolish 115 J of the Income Tax Act; and

(c) if so, what are the details in this regard?